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CONTENTS

2 **Economic and Social Challenges for Developing Nations: A Review of Problems and Policies as Observed from Abroad**
by Michael Palmer

5 Colorado Business Indicators

7 Local Business Conditions

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Economic and Social Challenges for Developing Nations: A Review of Problems and Policies as Observed from Abroad

MICHAEL PALMER

Many of the ideas expressed in this article were brought into focus as a result of the author's two Semester at Sea teaching assignments in the spring of 1979 and the fall of 1980, during which he witnessed economic and human development policies and conditions in Asia and Africa. The specific examples and data cited in this article come from those trips and World Bank publications.

In the decade of the 1980s, developing nations of the world face two major challenges. First, they must strive to continue their economic and human development progress in an international environment which may be less supportive than in previous decades. Second, they must intensify their attack on the plight of the estimated 800 million people of their nations who find themselves living in absolute poverty.

An examination of Table 1 reveals marked economic and human development discrepancies between World Bank income-categorized nations of the world. On average, the low- and middle-income countries experience relatively lower rates of economic growth and higher rates of both inflation and population growth than do the industrial countries. In areas of health and education, such as life expectancy, child death rate, daily calorie intake, adult literacy rate, and students enrolled in secondary schools, these developing nations score considerably lower than the industrial ones.

In determining appropriate policies to meet the economic and human development challenges of the 1980s, many government administrators have focused on one salient economic relationship: most poor people reside in poor countries. Whether the extent of poverty is measured by income levels, life expectancy, or illiteracy, there is a strong correlation between the level of poverty in a country and its per-capita gross national product (G.N.P.). In view of this relationship between the economy and poverty it should come as no surprise that many contemporary human development solutions stress those programs and policies which can be expected to promote economic growth. Among the major policy alternatives which this observer has witnessed and examined are:

1. Importation of capital, and to some degree technology, from international public assistance sources such as the World Bank and its affiliates. Countries such as India, Indonesia, the Philippines, and Nigeria are examples of developing nations which have utilized World Bank loans to finance agricultural, transportation, and rural development for the purpose of reducing poverty and/or stimulating economic growth.

2. Importation of private capital and technology through various incentives aimed at attracting multinational business firms. Singapore, as one example, has used this policy approach.

3. Utilizing a free-market economic environment to stimulate domestic economic growth and consequently accelerate human development. Hong Kong has emphasized this alternative.

4. Utilizing a centrally planned economic system to manage economic growth and increase human development. This type of approach has been used by the People's Republic of China.

5. Undertaking a relatively high level of government-financed human development programs in such areas as health and education for the purpose of reducing poverty and improving the social environment. Sri Lanka has concentrated on this alternative.

TABLE 1
WORLD DEVELOPMENT INDICATORS

	Low Income[a]	Middle Income[b]	Industrial[c]	Centrally Planned	Hong Kong	Singapore	Sri Lanka
Economic Development							
Annual Growth In:							
Per Capita G.N.P. 1960-78 (%)	1.6	3.7	3.7	4.0	6.5	7.4	2.0
Gross Domestic Product 1960-70 (%)	3.6	5.7	3.2	4.0	8.2	8.5	3.4
Exports 1970-78 (%)	−0.8	5.2	5.7	n.a.	4.8	9.8	−3.8
Average Rate of Inflation:							
1960-1970	3.0	3.1	4.2	n.a.	2.3	1.1	1.8
1970-1978	10.6	13.1	9.4	n.a.	7.7	6.1	11.8
External Public Debt							
In 1970 (% of G.N.P.)	18.1	10.8	n.a.	n.a.	0.1	7.9	17.1
In 1978 (% of G.N.P.)	21.7	17.6	n.a.	n.a.	1.6	14.8	41.0
Human Development							
Population Growth 1970-78, annual %	2.2	2.4	0.7	1.4	1.9	1.5	1.7
Life Expectancy 1978 in years	50	61	74	70	72	70	69
Child Death rate per 1,000, 1978	20	10	1	1	1	1	2
Adult Literacy Rate 1978 (%)	38	71	99	n.a.	90	75	78
Calorie Intake (% of required), 1977	91	108	131	114	126	134	96
Students in Secondary Schools (% of age group) 1977	24	40	87	72	59	55	47

[a]38 Countries with a per capita income of $360 or less in 1978.
[b]58 Countries with a per capita income of over $360 in 1978.
[c]18 Industrialized nations of the world.

Source: **World Development Report, 1980**, The World Bank.

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INTERNATIONAL PUBLIC ASSISTANCE

While the contribution of external aid through international public assistance programs has aided many developing nations, there is a growing realization within the world community that public funds, originating in the industrial countries, are insufficient by themselves to meet the shortfall of capital needs in relation to internal funds which many developing countries experience.

The emphasis which many low-income nations have placed on external public assistance to promote economic growth and/or mitigate poverty levels is revealed in their generally high external public debt to G.N.P. ratios. According to World Bank data, Mauritania leads the list with an external public debt to G.N.P. ratio of 138.1%, followed by Somalia with 101.7%, Guinea with 81.7%, Togo with 65.4%, and Mali with 65.1%. India, which alone accounts for almost half of the outstanding loans advanced by the International Development Association of the World Bank, has an external debt to G.N.P. ratio of slightly over 13%.

The potential problem confronting these highly leveraged low-income nations is twofold. First, because of their dependence on external funds even a modest reduction in the amount of aid available for international public assistance would have serious repercussions on the ability of developing nations to meet their economic and human development challenges. Second, while contracted interest rates on public assistance loans are extremely low, the high (and in many cases growing) debt ratios do carry with them an interest servicing burden which may prove financially disastrous at some future date.

ATTRACTING MULTINATIONAL BUSINESSES

A second approach, which also emphasizes external capital and technology to enhance domestic economic growth and human development, is through those policies designed to encourage multinational businesses, with their capital resources and knowhow, to establish operations within a particular developing country. Government policies offering low-income taxes, tax holidays, minimal government interference in corporate affairs, and/or relatively inexpensive startup and on-going operational costs have been used as inducements to attract foreign business investment.

Singapore is one such country which has opened up to multinational operations as a way of importing domestic economic growth and social advances. The results from this policy are striking: for the period 1960 through 1978, real G.N.P. per capita in Singapore grew at an average annual rate of 7.4%—a rate which exceeded all 90 World Bank low- and middle-income countries and was surpassed only by the industrialized nation of Japan.

The high economic growth rates in Singapore during the past two decades have produced desired social conditions. Singapore's high life expectancy, high literacy rate, high daily calorie intake, and its low child death rate—all of which are noted in Table 1—have often been cited as demonstrating the beneficial social consequences of rapid economic growth. Furthermore, Singapore's specific policy of encouraging multinational businesses and the resulting economic and social progress is generally cited in support of utilizing private capital and technology to meet the challenges of the developing nations.

While Singapore has openly courted multinational firms, many developing nations remain distrustful of these organizations. India, as one example, while desiring domestic growth and apparently cognizant of the potential benefits from multinationals, has instituted policies which have actually discouraged multinational business formations. India's insistence that multinationals share manufacturing secrets with local Indian firms and agree to operate through a minority position in a joint venture with Indian ownership has forced such firms as Coca-Cola and IBM to abandon their Indian operations.

While the Indian requirement with regard to multinational businesses may seem severe and counterproductive, many developing nations impose similar requirements on multinationals wishing to operate in their countries. In some instances the restrictive policies appear to be imposed primarily for the economic self-interest of domestic businesses. In other cases the restrictive requirements originate from more sincere concerns of government administrators in developing nations. Among the more commonly proposed concerns which this observer has encountered are:

1. Possible economic and/or political domination by multinational firms which in many instances are so large as to control total assets in excess of the G.N.P.s of those developing nations in which they are operating.
2. The removal of key raw materials from developing nations to industrial nations without an equal exchange of value, or the specific argument that multinationals are exchanging short-lived assets in the form of income for the nonreplenishable assets of developing countires.
3. A desire to achieve slow and orderly domestic growth through a "doing it on our own" approach.
4. A multinational attitude which embraces a global profit motive and which may preclude social progress in an individual country.

FREE MARKET ECONOMY

A third alternative to meeting the economic and human development challenges facing developing nations is reliance on free market forces to produce desired changes. The performance exhibited by Hong Kong—where the invisible hand of Adam Smith rules—is often advanced in support of the view that minimal government management of or restraints on business activity will produce an environment conducive to social progress. As shown in Table 1, Hong Kong's record has been remarkable: achieving a relatively high per capita G.N.P. growth rate, a high growth in

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exports and an improved social condition for its people.

While the free-market approach to the challenges of developing nations has worked well in specific instances, the realities of individual developing countries with their diversity of conditions, problems, and power bases suggest to this observer that an "Adam Smith invisible hand" approach may not be workable or realistic in many cases. For example, conditions in many African countries plainly have deteriorated to the point whereby it would be impossible to establish a viable free-market system, let alone perform any meaningful economic or social remedies. Specifically, a free-market approach to development challenges would appear to have the best chances for success in those countries where the following conditions existed:

1. A country whose population is not outgrowing its food supply, or one in which religious beliefs or customs will not prevent a reduction of excessive population growth.
2. A country whose population is beyond the mere subsistence level so that individual wage-earners are likely to have a positive discretionary income after consumption expenditures which in turn will assist private capital accumulation.
3. A country where individual attitudes and mores will accept and be challenged by a free-market philosophy.
4. A country whose political and economic power bases will support and encourage a free-market environment.

CENTRALLY PLANNED ECONOMY

While centrally planned economics have been in existence for many years, the recent cultural and economic reopening of the People's Republic of China to western countries has revived debate within the western world as to the efficacy of centrally planned systems in meeting development challenges.

Certainly any impartial appraisal of conditions within the People's Republic of China reveals significant progress in living standards since the late 1940s. In some quarters, the achievement by China is being held out as proof of the benefits of a centrally planned economy and, as shown in Table 1, the recent scenario of 12 centrally planned economies generally adds support to this contention. Moreover, while there are undeniable disadvantages of a strong centrally planned economy, particularly to individual freedoms, this alternative may be the only feasible one available to those very low-income developing nations with extremely large (and excessively growing) populations, at least until that time when their economies have achieved a certain subsistence level.

The ability or willingness to modify certain basic approaches as a particular economy reaches an adequate subsistence level is evident in the People's Republic of China. During a conversation with an economics professor at the Sun Yatsen University in Guangzhou, I was informed that an increasing problem within key segments of the Chinese economy is an inability to sustain productivity growth. Moreover, according to the Chinese pre ...nt productivity problem relates prima... the lack of incentives for individual workers. Given a recognition of the problem and an acceptance of "new" solutions, there appears to be a willingness on the part of the Chinese government to experiment with limited free-market incentives. For example, individuals within agricultural communes are presently allowed to raise produce for personal sale (or trade) in weekly commune bazaars. Income incentives are also being experimented with in certain factories in the larger cities in China.

GOVERNMENT DIRECTED SOCIAL EXPENDITURES

A final approach for achieving human development goals is through the use of direct government expenditures in specific areas of health, nutrition, and education. As this approach concentrates on human development, it is often argued that by draining funds and efforts away from the economic sector this alternative results in a trade-off of economic growth for human development.

One country which has utilized this government expenditure approach to human development is Sri Lanka. According to World Bank data, over the last two decades, Sri Lanka has spent nearly 10% of its G.N.P. on health and education programs, and the results, as shown in Table 1, are remarkable: as a low-income country, Sri Lanka's child death rate is the lowest and its adult literacy and life expectancy are the highest among all 38 low-income developing nations, while its percentage of children enrolled in secondary schools is second only to Vietnam.

The economic trade off in Sri Lanka is also revealed in Table 1, where it can be noted that Sri Lanka's gross domestic product has grown at a rate below the average for all low-income countries in the 1970s. In addition, Sri Lanka's rate of inflation has shown a dramatic rise which in some measure can be attributed to the rise in government social spending programs.

CONCLUDING OBSERVATIONS

It is the contention of this observer that the decade of the 1980s will challenge the developing nations of the world to a degree never before witnessed. Exploding population growth rates coupled with massive economic and social inequalities—and global communications which expose these inequalities—will contribute to mounting pressures for economic and human development progress.

While this article has reviewed some of the basic approaches which are being used to meet development needs, observations from abroad suggest that no one approach is workable under all conditions. Consequently, policies and programs should continue to be molded to meet the unique characteristics of individual developing nations. To blindly support one policy approach without recognizing the need for individualized policies, as unfortunately some policy makers have done, is to deny the realities of the world at best and to court economic and social disasters at worst.

COLORADO BUSINESS INDICATORS

(Figures in Thousands Unless Otherwise Indicated)

	May 1981	April 1981	May 1980	Percent Change May 1981 from April 1981	Percent Change May 1981 from May 1980
Total Civilian Labor Force (by place of residence)[a]	1,472.2	1,457.2	1,450.3	1.0	1.5
Unemployment	55.4	52.0	50.8	6.5	9.1
Unemployment Rate (percent)	3.8	3.6	3.5	—	—
Employment	1,416.8	1,405.2	1,399.5	0.8	1.2
Nonagricultural Wage and Salary	1,267.5	1,264.1	1,248.5	0.3	1.5
Agricultural	39.5	31.8	40.0	24.2	- 1.3
Self-employed, unpaid family, and domestics	109.8	109.3	111.0	0.5	- 1.1
Total Nonagricultural Wage and Salary Employment (by place of work)[a]	1,252.9	1,262.9	1,248.3	- 0.8	0.4
Mining	36.3	36.0	34.1	0.8	6.5
Metallic Minerals	11.4	11.4	11.6	0.0	- 1.7
Bituminous Coal, Lignite, and Nonmetallic	5.6	5.5	6.0	1.8	- 6.7
Oil and Gas Extraction	19.4	19.2	16.5	1.0	17.6
Contract Construction	60.9	73.6	75.0	-17.3	-18.8
Manufacturing	183.3	182.5	180.0	0.4	1.8
Lumber, Wood Products, and Furniture	7.6	7.5	7.0	1.3	8.6
Stone, Clay, Glass, and Concrete Products	11.2	11.2	11.3	0.0	- 0.9
Primary and Fabricated Metals	19.8	19.8	19.8	0.0	0.0
Machinery, Except Electrical	26.5	26.3	25.5	0.8	3.9
Electric and Electronic Equipment	14.8	14.8	15.5	0.0	- 4.5
Transportation Equipment	13.6	13.4	11.2	1.5	21.4
Other Durable Goods	26.1	26.0	26.3	0.4	- 0.8
Food and Kindred Products	24.0	23.8	23.6	0.8	1.7
Textiles and Apparel	3.8	3.8	3.6	0.0	5.6
Paper and Allied Products	2.1	2.1	2.2	0.0	- 4.5
Printing and Publishing	16.1	16.1	15.8	0.0	1.9
Chemicals and Allied Products	6.7	6.6	6.3	1.5	6.4
Other Nondurable Goods	11.1	11.0	11.9	0.9	- 6.7
Finance, Insurance, and Real Estate	78.5	78.1	76.0	0.5	3.3
Banking	19.6	19.7	19.4	- 0.5	1.0
Credit Agencies Other than Banks	12.6	12.7	12.0	- 0.8	5.0
Insurance Carriers, Agents, and Brokers	20.1	20.0	19.5	0.5	3.1
Real Estate and Combination Offices	20.6	20.3	20.4	1.5	1.0
Other Finance, Insurance, and Real Estate	5.6	5.5	4.9	1.8	14.3
Transportation and Public Utilities	82.2	82.1	79.7	0.1	3.1
Railroad Transportation	7.8	7.8	7.8	0.0	0.0
Trucking and Warehousing	16.6	16.6	16.3	0.0	1.8
Air Transportation	13.5	13.7	13.7	- 1.5	- 1.5
Other Transportation	6.6	6.5	6.1	1.5	8.2
Communications, Electric, Gas, and Sanitary Services	37.7	37.4	35.8	0.8	5.3
Trade	307.8	305.8	301.8	0.7	2.0
Wholesale Trade	76.3	76.7	74.0	- 0.5	3.1
Retail Trade	231.5	229.1	227.8	1.1	1.6
Services	257.1	259.3	250.6	- 0.8	2.6
Lodging and Combination Lodging/Eating Places	23.0	23.5	23.2	- 2.1	- 0.9
Personal Services	12.7	13.1	12.6	- 3.1	0.8
Business Services	46.4	46.5	44.5	- 0.2	4.3
Auto and Miscellaneous Repair Services	14.2	14.2	13.4	0.0	6.0
Amusements and Recreation	14.7	16.6	15.2	-11.4	- 3.3
Health Services	65.8	65.8	64.2	0.0	2.5
Educational Services	9.6	9.6	9.9	0.0	- 3.0
Membership Organizations	20.7	20.7	20.9	0.0	- 1.0
Other Services	49.8	49.3	46.7	1.0	6.6
Government	246.8	245.6	251.0	0.5	- 1.7
Federal	51.3	51.0	54.3	0.6	- 5.5
State	59.7	60.1	59.9	- 0.7	- 0.3
Local	135.8	134.6	136.8	0.9	- 0.7

	May 1981	April 1981	May 1980	Percent Change May 1981 from April 1981	Percent Change May 1981 from May 1980
Average Weekly Hours					
Construction	34.1	37.5	36.8	- 9.1	- 7.3
Manufacturing	39.6	39.6	39.5	0.0	0.3
Nondurable Goods	38.7	38.5	39.3	0.5	- 1.5
Durable Goods	40.1	40.2	39.6	- 0.2	1.3
Average Weekly Earnings ($)					
Construction	371.69	415.87	388.61	-10.6	- 4.4
Manufacturing	320.76	321.55	294.67	- 0.2	8.9
Nondurable Goods	300.31	297.60	289.25	0.9	3.8
Durable Goods	332.83	335.27	297.79	- 0.7	11.8
Initial Unemployment Claims (000)	14.1	14.0	15.7	0.7	-10.2
Bankruptcies, All Types (number)	512	559	483	- 8.4	6.0
Total State Revenue ($000)	217,419	242,529	270,820	-10.4	-19.7
Total State Expenditures ($000)	290,926	274,455	251,296	6.0	15.8
Crude Oil Production (thous. bbls.)	2,595	2,478r	2,502r	4.7	3.7
Dry Gas Production (mil. cu. ft.)	15,712	12,797r	11,766r	22.8	33.5
Coal Production (thous. tons)	1,508.1	1,535.6	1,177.3	- 1.8	28.1
New Oil and Gas Wells (number)	212	190	163	11.6	30.1
Natural Gas Used (bil. cu. ft.)	11.5	11.8	15.3	- 2.5	-24.8
Electrical Power Sales (mil. kwh)					
Residential	443.8	499.8r	452.8r	-11.2	- 2.0
Nonresidential	984.3	981.8r	921.1r	0.3	6.9
New Construction, 50 cities					
Residential Permits (number)	1,222*	1,217*	512r	0.4	138.7
Residential Value ($000)	62,136*	65,612*	22,742r	- 5.3	173.2
Nonresidential Permits (number)	92*	146*	113r	-37.0	-18.6
Nonresidential Value ($000)	61,129*	51,511*	25,573r	18.7	139.0
Highway Contractor Payments ($000)	9,787	5,069	7,467	93.1	31.1
Ordinary Life Insurance Sales ($000)	611,549	690,517	568,304r	-11.4	7.6
Bank Deposits, 118 cities, 248 of 323 banks					
Total Deposits ($000,000)	12,203*	12,050*	11,101	1.3	9.9
Savings and Loan Net New Savings ($000)	87,800	2,800	79,900r	3,035.7	9.9
National Park Visits—9 areas (000)	480.5	249.3	408.0	92.7	17.8
Motor Vehicle Title Applications (000)	109.2	93.0	98.7	17.4	10.6
Highway Vehicle Traffic Counts at Border Stations (daily average)	39,322	33,020	36,912	19.1	6.5
Air Passengers, Stapleton (000)[b]	1,894	1,674	1,562r	13.1	21.3
Air Freight and Air Express, Stapleton (thous. lbs.)	25,203	23,728	18,803	6.2	34.0
Prices Received by Farmers ($)					
Beef Cattle (per cwt)	65.30	64.40	64.40r	1.4	1.4
Lambs (per cwt)	64.40	59.50	56.90r	8.2	13.2
Wheat (per bu.)	3.66	3.71	3.34	- 1.3	9.6
Corn (per bu.)	3.29	3.11	2.36	5.8	39.4
Potatoes (per cwt)	7.60	7.55	3.00	0.7	153.3
Wool (per lb.)	.91	.96	.81	- 5.2	12.4

NOTES: An asterisk (*) indicates preliminary data subject to revision.
Revised data are marked (r).
n.r.—not reported

[a]Employment figures have been updated to a March 1980 benchmark and are arranged by 1972 Standard Industrial Classifications (SIC). Previously reported data were on a March 1979 benchmark. Thus, these data are not comparable to that published prior.

[b]Includes scheduled airlines, commuter airlines, and charter passengers.

Employment, Hours, and Earnings data from Colorado Department of Labor and Employment.

Bankruptcies from the Office of the Federal Referee in Bankruptcy.

State Revenue and Expenditures from the State Controller's Office.

Crude Oil Production, Dry Gas Production, and New Oil and Gas Wells from the Oil and Gas Conservation Commission.

Coal Production from Colorado State Coal Mine Inspection Department.

Natural Gas Used from Colorado Interstate Gas Company.

Electrical Power Sales from individual companies.

New Construction from individual cities.

Highway Contractor Payments from the Colorado Highway Department.

Life Insurance Sales from the Life Insurance Marketing and Research Association, Inc.

Bank Deposits from individual banks.

Savings and Loan Net New Savings from Federal Home Loan Bank of Topeka.

National Park Visits from individual areas.

Highway Traffic Counts from Colorado Highway Department.

Air Passengers, Freight, and Express from Stapleton International Airport Business Office.

Prices Received by Farmers from U.S. Department of Agriculture.

LOCAL BUSINESS CONDITIONS

(All Figures in Thousands)

	May 1981	April 1981	May 1980
ALAMOSA (1980 pop. 6,830)			
Electric Power (kwh)	2,843	3,063	2,480
Constr. ($)—Res.	0	0	0
—Nonres.	155	0	0
Deposits ($) (2 of 2 banks)	44,511	44,576	38,543
ARVADA (1980 pop. 84,576)			
Electric Power (kwh)	25,263	25,373	25,371
Constr. ($)—Res.	1,916	2,231	696
—Nonres.	12	0	514
Deposits ($) (3 of 6 banks)	76,899	73,204	70,170
ASPEN (1980 pop. 3,678)			
Electric Power (kwh)	3,771	3,912	3,428
Constr. ($)—Res.	266	582	628
—Nonres.	0	913	219
Deposits ($) (1 of 3 banks)	38,852	42,825	36,264
AURORA (1980 pop. 158,588)			
Electric Power (kwh)	69,015	71,600	67,260
Constr. ($)—Res.	28,857	17,041	3,216
—Nonres.	289	7,720	2,232
Deposits ($) (4 of 10 banks)	125,864	124,289	103,043
BOULDER (1980 pop. 76,685)			
Electric Power (kwh)	47,775	46,251	47,215
Constr. ($)—Res.	n.r.	n.r.	113
—Nonres.	n.r.	n.r.	3,359
Deposits ($) (7 of 8 banks)	419,834	423,820	381,865
BRIGHTON (1980 pop. 12,773)			
Electric Power (kwh)	4,120	4,157	3,891
Constr. ($)—Res.	92	154	94
—Nonres.	0	4,282	0
Deposits ($) (2 of 2 banks)	49,334	56,391	46,377
BROOMFIELD (1980 pop. 20,730)			
Electric Power (kwh)	9,162	9,529	8,626
Constr. ($)—Res.	320	606	104
—Nonres.	0	0	33
Deposits ($) (2 of 2 banks)	45,916	45,055	38,601
BRUSH (1980 pop. 4,082)[a]			
Electric Power (kwh)	1,846	1,904	1,906
Deposits ($) (2 of 2 banks)	47,575	48,506	49,667
CANON CITY (1980 pop. 13,037)			
Electric Power (kwh)	21,552	21,718	21,085
Constr. ($)—Res	202	46	140
—Nonres.	0	146	0
Deposits ($) (3 of 3 banks)	87,676	85,949	77,758
COLORADO SPRINGS (1980 pop. 215,150)			
Electric Power (kwh)	150,232	148,293	138,886
Constr. ($)—Res[b]	7,282	12,921	5,063
—Nonres.	6,708	10,894	3,474
Deposits ($) (15 of 18 banks)	785,926	773,194	757,838
COMMERCE CITY (1980 pop. 16,234)			
Electric Power (kwh)	16,871	19,443	19,329
Constr. ($)—Res.	40	36	430
—Nonres.	9,200	1,074	53
Deposits ($) (1 of 1 bank)	25,336	25,399	24,409
CORTEZ (1980 pop. 7,095)			
Electric Power (kwh)	3,015	3,607	3,113
Constr. ($)—Res.	164	136	167
—Nonres.	0	0	0
Deposits ($) (2 of 3 banks)	48,162	49,448	47,816
CRAIG (1980 pop. 8,133)			
Electric Power (kwh)	4,492	5,111	4,870
Constr. ($)—Res.	117	33	26
—Nonres.	35	56	0
Deposits ($) (2 of 2 banks)	66,435	65,363	51,427
DENVER (1980 pop. 491,396)			
Electric Power (kwh)	302,048	302,435	297,153
Constr. ($)—Res.	7,187	7,921	2,509
—Nonres.	36,815	14,723	7,071
Deposits ($) (31 of 35 banks)	5,508,520*	5,383,866*	4,904,085
DURANGO (1980 pop. 11,426)			
Electric Power (kwh)	5,578	5,643	6,036
Constr. ($)—Res.	0	240	123
—Nonres.	0	81	51
Deposits ($) (3 of 3 banks)	101,112	104,658	89,475
ENGLEWOOD (1980 pop. 30,021)			
Electric Power (kwh)	18,720	19,006	18,024
Constr. ($)—Res.	160	2,727	40
—Nonres.	1,008	0	1,264
Deposits ($) (5 of 8 banks)	317,645	312,034	283,954
ESTES PARK (1980 pop. 2,703)			
Electric Power (kwh)	3,604	4,498	4,250
Constr. ($)—Res.	202	133	0
—Nonres.	87	120	0
Deposits ($) (2 of 2 banks)	30,609	29,337	26,885
FORT COLLINS (1980 pop. 64,632)			
Electric Power (kwh)	36,029	37,979	32,874
Constr. ($)—Res.	2,571	5,408	1,608
—Nonres.	1,455	2,695	0
Deposits ($) (8 of 8 banks)	347,502	349,232	315,465
FORT MORGAN (1980 pop. 8,768)			
Electric Power (kwh)	6,295	7,615	6,038
Constr. ($)—Res.	52	48	156
—Nonres.	0	70	0
Deposits ($) (2 of 2 banks)	80,136	82,101	73,567
GLENWOOD SPRINGS (1980 pop. 4,637)			
Electric Power (kwh)	4,285	4,187	3,713
Constr. ($)—Res.	0	47	327
—Nonres.	0	0	1,900
Deposits ($) (2 of 3 banks)	92,698	91,713	84,177
GOLDEN (1980 pop. 12,237)			
Electric Power (kwh)	5,655	5,430	5,667
Constr. ($)—Res.	247	251	24
—Nonres.	0	0	52
Deposits ($) (2 of 3 banks)	113,028	111,017	99,765
GRAND JUNCTION (1980 pop. 28,144)			
Electric Power (kwh)	16,164	16,047	15,122
Constr. ($)—Res.	465	980	1,244
—Nonres.	1,446	2,186	371
Deposits ($) (5 of 5 banks)	321,867	310,259	283,386
GREELEY (1980 pop. 53,006)			
Electric Power (kwh)	20,743	20,375	20,654
Constr. ($)—Res.	336	305	388
—Nonres.	48	0	504
Deposits ($) (7 of 8 banks)	350,773	350,524	342,347
GUNNISON (1980 pop 5,785)			
Electric Power (kwh)	3,188	3,455	3,139
Constr. ($)—Res.	124	341	0
—Nonres.	0	819	41
Deposits ($) (2 of 2 banks)	38,604	40,168	35,878
LA JUNTA (1980 pop. 8,338)			
Electric Power (kwh)	4,448	4,469	3,844
Constr. ($)—Res.	73	24	0
—Nonres.	1,358	0	0
Deposits ($) (2 of 2 banks)	40,764	42,893	37,293

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LOCAL BUSINESS CONDITIONS—Continued

	May 1981	April 1981	May 1980
LAKEWOOD (1980 pop. 112,848)			
Electric Power (kwh)	48,776	49,111	46,787
Constr. ($)—Res.	4,046	1,959	1,895
—Nonres.	251	2,252	822
Deposits ($) (6 of 8 banks)	368,874	361,843	352,646
LAMAR (1980 pop. 7,713)			
Electric Power (kwh)	8,409	7,610	4,813
Constr. ($)—Res.	52	88	28
—Nonres.	50	0	0
Deposits ($) (2 of 2 banks)	55,575	54,911	44,290
LITTLETON (1980 pop. 28,631)			
Electric Power (kwh)	16,289	15,769	15,618
Constr. ($)—Res.	559	1,441	637
—Nonres.	0	187	0
Deposits ($) (3 of 4 banks)	104,659*	92,991*	158,396
LONGMONT (1980 pop. 42,942)			
Electric Power (kwh)	17,918	19,158	22,760
Constr. ($)—Res.	1,094	1,234	155
—Nonres.	154	0	712
Deposits ($) (5 of 5 banks)	158,807	160,209	147,970
LOVELAND (1980 pop. 30,244)			
Electric Power (kwh)	15,976	15,114	18,907
Constr. ($)—Res.	681	907	165
—Nonres.	50	1,166	0
Deposits ($) (4 of 4 banks)	117,709	117,062	116,510
MANITOU SPRINGS (1980 pop. 4,475)[c]			
Electric Power (kwh)	1,942	1,366	1,187
Deposits ($) (1 of 1 bank)	10,136	10,430	9,466
MONTROSE (1980 pop. 8,722)[d]			
Constr. ($)—Res.	1,397	224	55
—Nonres.	0	0	0
Deposits ($) (2 of 3 banks)	85,029	86,601	70,875
NORTHGLENN (1980 pop. 29,847)			
Electric Power (kwh)	10,097	10,072	9,638
Constr. ($)—Res.	308	94	0
—Nonres.	0	0	165
Deposits ($) (2 of 2 banks)	54,955	55,904	60,707
PUEBLO (1980 pop. 101,686)			
Electric Power (kwh)	46,337	46,286	45,337
Constr. ($)—Res.	527	371	113
—Nonres.	1,220	99	113
Deposits ($) (8 of 10 banks)	325,169	330,820	305,179
ROCKY FORD (1980 pop. 4,804)			
Electric Power (kwh)	5,222	5,216	4,418
Constr. ($)—Res.	0	0	0
—Nonres.	0	12	0
Deposits ($) (2 of 2 banks)	19,046	17,465	15,306
SALIDA (1980 pop. 4,870)			
Electric Power (kwh)	1,432	1,591	1,513
Constr. ($)—Res	0	21	0
—Nonres.	0	0	0
Deposits ($) (2 of 2 banks)	38,560	36,476	31,679
STERLING (1980 pop. 11,385)			
Electric Power (kwh)	5,444	5,670	5,494
Constr. ($)—Res.	67	52	48
—Nonres.	212	0	0
Deposits ($) (3 of 3 banks)	125,266	120,963	112,755
THORNTON (1980 pop. 40,343)			
Electric Power (kwh)	14,015	14,216	13,986
Constr. ($)—Res.	n.r.	n.r.	532
—Nonres.	n.r.	n.r.	0
Deposits ($) (1 of 1 bank)	20,535	20,756	21,368
TRINIDAD (1980 pop. 9,663)			
Electric Power (kwh)	2,701	2,853	2,981
Constr. ($)—Res.	66	145	402
—Nonres.	0	0	0
Deposits ($) (2 of 2 banks)	46,503	48,486	41,367
WALSENBURG (1980 pop. 3,945)			
Electric Power (kwh)	1,173	1,181	1,232
Constr. ($)—Res.	0	0	36
—Nonres.	0	83	0
Deposits ($) (1 of 1 bank)	19,043	18,769	17,533
WESTMINSTER (1980 pop. 50,211)			
Electric Power (kwh)	18,194	17,828	18,213
Constr. ($)—Res.	1,883	2,662	608
—Nonres.	0	1,257	2,624
Deposits ($) (2 of 2 banks)	81,782	80,949	71,851
WHEAT RIDGE (1980 pop. 30,293)			
Electric Power (kwh)	21,193	21,784	22,810
Constr. ($)—Res.	480	3,761	69
—Nonres.	536	508	0
Deposits ($) (2 of 2 banks)	64,423	62,848	53,070

[a]Construction figures are not available.

[b]Regional figures.

[c]Included in Colorado Springs regional construction figures.

[d]Electric Power consumption figures are not available.

NOTES: Population figures are 1980 census counts.

Construction figures are valuation of new residential and nonresidential construction only.

Deposit figures are total deposits in commercial banks as of last day of month.

n.r.—not reported

*—preliminary data

r—revised data